

AMENDED IN SENATE JULY 1, 2014
AMENDED IN ASSEMBLY JANUARY 17, 2014
AMENDED IN ASSEMBLY JANUARY 6, 2014
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 876

Introduced by Assembly Member Bonta

February 22, 2013

An act to amend Section 280 of, and to add Sections 280.1 and 280.2 to, the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 876, as amended, Bonta. Telecommunications: California Teleconnect Fund Administrative Committee Fund.

Existing law requires the Public Utilities Commission to develop and implement a program funded by the California Teleconnect Fund Administrative Committee Fund to advance universal service by providing discounted rates to qualifying schools maintaining kindergarten or any of grades 1 to 12, inclusive, community colleges, libraries, hospitals, health clinics, and community organizations.

This bill would specify that discounted rates are available to qualifying schools maintaining preschools and transitional kindergartens. The bill would require the commission to develop and implement an outreach plan to preschools and transitional kindergartens to increase awareness of services available to these schools under the program described above.

This bill would require the commission to revise the program described above to give priority for advanced—~~communication~~ *communications* services as the commission deems appropriate. The

bill would require the commission to ensure that the program described above does not favor a particular technology used to provide advanced ~~communication~~ *communications* services to qualifying entities. The bill would require the commission to open or amend an existing proceeding to develop a plan on the feasibility and expense associated with establishing and maintaining a database of communication services purchased by qualifying entities receiving financial support from the program and the prices paid for those communication services. The bill would require the commission to report the plan findings or progress on the plan to the Legislature and to specified committees of the Legislature no later than March 1, 2016.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 280 of the Public Utilities Code is
- 2 amended to read:
- 3 280. (a) The commission shall develop, implement, and
- 4 administer a program to advance universal service by providing
- 5 discounted rates to qualifying schools maintaining preschool,
- 6 transitional kindergarten, kindergarten, or any of grades 1 to 12,
- 7 inclusive, community colleges, libraries, hospitals, health clinics,
- 8 and community organizations, consistent with Chapter 278 of the
- 9 Statutes of 1994.
- 10 (b) There is hereby created the California Teleconnect Fund
- 11 Administrative Committee, which is an advisory board to advise
- 12 the commission regarding the development, implementation, and
- 13 administration of a program to advance universal service by
- 14 providing discounted rates to qualifying schools maintaining
- 15 preschool, transitional kindergarten, kindergarten, or any of grades
- 16 1 to 12, inclusive, community colleges, libraries, hospitals, health
- 17 clinics, and community organizations, consistent with Chapter 278
- 18 of the Statutes of 1994, and to carry out the program pursuant to
- 19 the commission's direction, control, and approval.
- 20 (c) All revenues collected by telephone corporations in rates
- 21 authorized by the commission to fund the program specified in
- 22 subdivision (a) shall be submitted to the commission pursuant to
- 23 a schedule established by the commission. The commission shall
- 24 transfer the moneys received to the Controller for deposit in the

1 California Teleconnect Fund Administrative Committee Fund. All
2 interest earned by moneys in the fund shall be deposited in the
3 fund.

4 (d) Moneys appropriated from the California Teleconnect Fund
5 Administrative Committee Fund to the commission shall be utilized
6 exclusively by the commission for the program specified in
7 subdivision (a), including all costs of the board and the commission
8 associated with the administration and oversight of the program
9 and the fund.

10 (e) Moneys loaned from the California Teleconnect Fund
11 Administrative Committee Fund in the Budget Act of 2003 are
12 subject to Section 16320 of the Government Code. If the
13 commission determines a need for moneys in the California
14 Teleconnect Fund Administrative Committee Fund, the commission
15 shall notify the Director of Finance of the need, as specified in
16 Section 16320 of the Government Code. The commission shall
17 not increase the rates authorized by the commission to fund the
18 program specified in subdivision (b) while moneys loaned from
19 the California Teleconnect Fund Administrative Committee Fund
20 in the Budget Act of 2003 are outstanding unless both of the
21 following conditions are satisfied:

22 (1) The Director of Finance, after making a determination
23 pursuant to subdivision (b) of Section 16320 of the Government
24 Code, does not order repayment of all or a portion of any loan
25 from the California Teleconnect Fund Administrative Committee
26 Fund within 30 days of notification by the commission of the need
27 for the moneys.

28 (2) The commission notifies the Director of Finance and the
29 Chairperson of the Joint Legislative Budget Committee in writing
30 that it intends to increase the rates authorized by the commission
31 to fund the program specified in subdivision (a). The notification
32 required pursuant to this paragraph shall be made 30 days in
33 advance of the intended rate increase.

34 (f) Subdivision (e) shall become inoperative upon full repayment
35 or discharge of all moneys loaned from the California Teleconnect
36 Fund Administrative Committee Fund in the Budget Act of 2003.

37 SEC. 2. Section 280.1 is added to the Public Utilities Code, to
38 read:

39 280.1. The commission shall develop and implement an
40 outreach plan to preschools and transitional kindergartens to

1 increase awareness of services available to these schools under
2 the program developed pursuant to Section 280.

3 SEC. 3. Section 280.2 is added to the Public Utilities Code, to
4 read:

5 280.2. (a) (1) The commission shall open or amend an existing
6 proceeding to develop a plan on the feasibility and expense
7 associated with establishing and maintaining a database of
8 communication services purchased by qualifying entities receiving
9 financial support from the program developed pursuant to Section
10 280 and the prices paid for those communication services.

11 (2) The plan shall include, but not be limited to, the following:

12 (A) A report on how to allow qualifying entities access to the
13 database in order to collaborate and allow for the use of common
14 infrastructure to reduce costs.

15 (B) A report on how to make only aggregated and anonymous
16 price information from the database available to the public on the
17 commission's Internet Web site.

18 (3) In developing the plan required under this subdivision, the
19 commission may work with a third party, including, but not limited
20 to, a nonprofit organization, if the commission determines the third
21 party can provide assistance in developing the plan while
22 maintaining the privacy and security of all data through a suitable
23 legally binding agreement. *For the purposes of this paragraph,*
24 *the K-12 High-Speed Network and the California State Library*
25 *shall collaborate with the commission and share data and contact*
26 *information related to services that schools and libraries purchase*
27 *that are eligible for discounts pursuant to Section 280.*

28 (4) The commission shall report the plan findings or progress
29 on the plan to the Assembly Committee on Utilities and Commerce,
30 the Senate Committee on Energy, Utilities and Communications,
31 and the Legislature no later than March 1, 2016.

32 (b) The commission shall revise the program developed
33 pursuant to Section 280 to give priority to using moneys in the
34 California Teleconnect Fund Administrative Committee Fund for
35 advanced communications services as the commission deems
36 appropriate. The commission shall ensure that the program
37 developed pursuant to Section 280 does not favor a particular

- 1 technology used to provide advanced communications services to
- 2 qualifying entities.

O